



KENTUCKY DEPARTMENT OF EDUCATION

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GROWTH IN NUMBER OF STUDENTS RESULTS IN SEEK APPROPRIATION SHORTFALL

\$134.9 million in federal Education Jobs monies will offset

(FRANKFORT, Ky.) – The Support Education Excellence in Kentucky (SEEK) fund, which is the primary source of monies provided to the state's 174 public school districts, has less money than needed for the per-pupil funding authorized in the enacted budget for the current fiscal year. This will require reductions in funding allocations for all school districts.

Total SEEK funding for Fiscal Year 2011 (FY 11) is about \$2.5 billion, which is approximately \$49.3 million less than what is actually needed. The shortfall amounts to approximately two percent.

"This is not unusual and has happened twice before, with the last time in FY 2006," said Kentucky Education Commissioner Terry Holliday. "The good news is that Kentucky received \$134.9 million in federal EduJobs dollars to cover shortfalls such as these, and this funding has already been distributed to the school districts. With these additional funds, the per-pupil funding amounts for each district will be met."

A major reason for the shortfall is that many school districts have shown unanticipated student growth over the past fiscal year. Average daily attendance (ADA) figures for the end of FY 10 showed about 10,000 students more than anticipated. This is due to the enrollment of approximately 3,000 new students statewide, improved student attendance and a change in the way attendance is calculated.

(more)

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Prior-year ADA figures are used to determine each school district's per-pupil funding amount through the SEEK formula.

In 1990, the General Assembly passed KRS 157.430, which specifies what must be done in such a situation. As required by that law and state regulation 702 KAR 3:270, the Kentucky Department of Education (KDE) will perform statutorily mandated calculations for final SEEK amounts and make pro rata percentage reductions for all districts to account for this shortfall.

KDE will calculate revised SEEK amounts for each district and share that information by the end of this week. Reductions to districts' SEEK allocations will occur beginning in April.

The Support Education Excellence in Kentucky (SEEK) funding formula was implemented in 1990, in response to the mandates of the Kentucky Education Reform Act (KERA). The Kentucky legislature allocates funding for the formula, and school districts receive funding based on their average daily attendance figures. The formula also takes into account a number of variables, such as local financial support, transportation costs and more.

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